

Division of Financial Management

Analyst: Holland-Smith

Historical Summary

OPERATING BUDGET	FY 2007 Total App	FY 2007 Actual	FY 2008 Approp	FY 2009 Request	FY 2009 Gov Rec
BY FUND CATEGORY					
General	2,081,000	1,942,200	1,710,700	1,918,800	1,922,500
Dedicated	32,100	166,200	39,700	41,000	41,800
Total:	2,113,100	2,108,400	1,750,400	1,959,800	1,964,300
Percent Change:		(0.2%)	(17.0%)	12.0%	12.2%
BY OBJECT OF EXPENDITURE					
Personnel Costs	1,921,800	1,795,600	1,531,200	1,609,700	1,662,800
Operating Expenditures	191,300	287,000	219,200	315,100	279,000
Capital Outlay	0	25,800	0	35,000	22,500
Total:	2,113,100	2,108,400	1,750,400	1,959,800	1,964,300
Full-Time Positions (FTP)	24.00	24.00	19.00	19.00	19.00

Division Description

FINANCIAL MANAGEMENT

The mission of this program is to support the Governor's vision of short and long-term policies through effective resource allocation. Financial Management seeks to improve agency service delivery at the point of citizen impact by developing, monitoring, and publicizing performance outcomes, facilitating the development of the Executive Budget recommendation, and providing a proactive policy resource for the Governor to shape Idaho's future. Financial Management consists of four main administrative units: Budget, Policy, Economic and Management Services.

[Statutory Authority: Idaho Code §67-1910 - 1918]

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Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2008 Original Appropriation	19.00	1,710,700	1,750,400	19.00	1,710,700	1,750,400
Removal of One-Time Expenditures	0.00	(40,000)	(40,000)	0.00	(40,000)	(40,000)
FY 2009 Base	19.00	1,670,700	1,710,400	19.00	1,670,700	1,710,400
Benefit Costs	0.00	63,900	65,000	0.00	63,000	64,100
Inflationary Adjustments	0.00	1,100	1,100	0.00	0	0
Replacement Items	0.00	53,000	53,000	0.00	40,500	40,500
Statewide Cost Allocation	0.00	1,800	1,800	0.00	1,800	1,800
Change in Employee Compensation	0.00	13,300	13,500	0.00	66,500	67,500
FY 2009 Program Maintenance	19.00	1,803,800	1,844,800	19.00	1,842,500	1,884,300
1. Additional Operating Expenses	0.00	75,000	75,000	0.00	40,000	40,000
2. Upgrade Legislation Tracking System	0.00	40,000	40,000	0.00	40,000	40,000
FY 2009 Total	19.00	1,918,800	1,959,800	19.00	1,922,500	1,964,300
Change from Original Appropriation	0.00	208,100	209,400	0.00	211,800	213,900
% Change from Original Appropriation		12.2%	12.0%		12.4%	12.2%

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2008 Original Appropriation	19.00	1,710,700	39,700	0	1,750,400
Removal of One-Time Expenditures					
Agency Request	0.00	(40,000)	0	0	(40,000)
Governor's Recommendation	0.00	(40,000)	0	0	(40,000)
FY 2009 Base					
Agency Request	19.00	1,670,700	39,700	0	1,710,400
Governor's Recommendation	19.00	1,670,700	39,700	0	1,710,400
Benefit Costs					
Reflects \$2,075 per position or a 29% increase in employer-paid health insurance premiums from \$7,125 to \$9,200 per year. This increase is artificially inflated since the rates have been frozen for the last two years, with increases being covered from reserves.					
Agency Request	0.00	63,900	1,100	0	65,000
<i>The Governor recommends funding the employer increase in health insurance, and does not remove the funding for the PERSI rate increase that was included in the request. Recently, the PERSI Board voted not to increase the contribution rate for the upcoming fiscal year. In addition, for this agency the Governor recommends that the Division of Human Resources (DHR) fee be reduced by 35% for classified positions, from 0.615% of gross salary to 0.4%, because it has been granted delegated authority by DHR.</i>					
Governor's Recommendation	0.00	63,000	1,100	0	64,100
Inflationary Adjustments					
This inflationary adjustment is arrived at by subtracting one-time funding and statewide allocation plan costs from the base and calculating a customized increase for all remaining operating costs.					
Agency Request	0.00	1,100	0	0	1,100
<i>Inflationary increases are provided only for contractual obligations such as leased space costs.</i>					
Governor's Recommendation	0.00	0	0	0	0
Replacement Items					
This decision unit will provide \$18,000 to replace the network client management software that is no longer supported by the vendor, \$9,000 to replace three five-year old servers, \$4,500 for three laptop computers, \$9,000 for six desktop computers, \$2,500 for an infocus projector, \$4,400 for two network printers, and \$5,600 to replace 14 desktop printers.					
Agency Request	0.00	53,000	0	0	53,000
<i>The Governor's recommendation does not include funding for the infocus projector, the network printers, and the desktop printers.</i>					
Governor's Recommendation	0.00	40,500	0	0	40,500
Statewide Cost Allocation					
Risk management fees are increased by \$400, and State Controller fees by \$1,400.					
Agency Request	0.00	1,800	0	0	1,800
Governor's Recommendation	0.00	1,800	0	0	1,800
Change in Employee Compensation					
Agencies were instructed to input a CEC based on a 1% calculator.					
Agency Request	0.00	13,300	200	0	13,500
<i>The Governor recommends a compensation increase of 5% to be distributed based on merit.</i>					
Governor's Recommendation	0.00	66,500	1,000	0	67,500
FY 2009 Program Maintenance					
Agency Request	19.00	1,803,800	41,000	0	1,844,800
Governor's Recommendation	19.00	1,842,500	41,800	0	1,884,300

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
1. Additional Operating Expenses					
The Division of Financial Management is requesting an additional \$75,000 in operating expenditures to cover the agency's ongoing costs necessary to carry out its core mission. The funding will cover the increasing costs that have accrued over the past four years for software license renewal fees and communication expenses. The Division has been able to cover these costs out of one-time salary savings generated from staff turnover.					
Agency Request	0.00	75,000	0	0	75,000
<i>The Governor's recommendation is \$35,000 less than the request.</i>					
Governor's Recommendation	0.00	40,000	0	0	40,000
2. Upgrade Legislation Tracking System					
The agency is requesting \$40,000 in one-time computer software programming costs to upgrade the executive agency legislative tracking system used by DFM and the Governor's Office. The current program is 10+ years old and needs to be converted to run in a dot.net environment to make it more user accessible and enhance the capabilities of the program.					
Agency Request	0.00	40,000	0	0	40,000
Governor's Recommendation	0.00	40,000	0	0	40,000
FY 2009 Total					
Agency Request	19.00	1,918,800	41,000	0	1,959,800
Governor's Recommendation	19.00	1,922,500	41,800	0	1,964,300
Agency Request					
Change from Original App	0.00	208,100	1,300	0	209,400
% Change from Original App	0.0%	12.2%	3.3%		12.0%
Governor's Recommendation					
Change from Original App	0.00	211,800	2,100	0	213,900
% Change from Original App	0.0%	12.4%	5.3%		12.2%